

Hearing Date and Time: April 13, 2011 at 10:00 a.m. (Prevailing Eastern Time)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re) **Chapter 11 Case No.**
)
LEHMAN BROTHERS HOLDINGS INC., et al.,) **08-13555 (JMP)**
)
Debtors.) **(Jointly Administered)**

**STATEMENT IN SUPPORT OF MOTION OF THE AD HOC GROUP OF LEHMAN
BROTHERS CREDITORS FOR ENTRY OF (I) AN ORDER SCHEDULING A
DISCLOSURE STATEMENT HEARING AND APPROVING THE FORM AND
MANNER OF NOTICE THEREOF AND (II) AN ORDER APPROVING THE
DISCLOSURE STATEMENT FOR THE JOINT SUBSTANTIVELY
CONSOLIDATING CHAPTER 11 PLAN FOR LEHMAN BROTHERS HOLDINGS
INC. AND CERTAIN OF ITS AFFILIATED DEBTORS OTHER THAN
MERIT, LLC, LB SOMERSET LLC AND LB PREFERRED SOMERSET LLC**

The County of Alameda (“Claimant”) hereby files this statement in support of the Motion of the Ad Hoc Group of Lehman Brothers Creditors for Entry of (I) an Order Scheduling a Disclosure Statement Hearing and Approving the Form and Manner of Notice Thereof and (II) an Order Approving the Disclosure Statement for the Joint Substantively Consolidating Chapter 11 Plan for Lehman Brothers Holdings Inc. and Certain of Its Affiliated Debtors Other Than Merit, LLC, LB Somerset LLC and LB Preferred Somerset LLC (the “Motion”). In support thereof, Claimant respectfully represents as follows:

1. By the Motion, the Group seeks to have the Group’s Disclosure Statement considered concurrently with the Debtors’ Disclosure Statement.¹ Granting the relief requested by the Motion would promote both greater efficiency and fundamental fairness.

2. First, the Group’s Disclosure Statement contains much of the same information as the Debtors’ Disclosure Statement, including, for example, information related to the interrelationships of the Debtors’ businesses and financial information. Thus, it would be unduly burdensome for parties and the Court to consider disclosure statements on different tracks.

¹ Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Motion.

3. Second, it is only logical that that all timely filed plans be solicited and considered simultaneously. In liquidating chapter 11 cases such as these, the only true economic stakeholders are the Debtors' creditors and creditors should be given the ability to choose among whatever Plan is their best interest. Permitting creditors to vote on and indicate a preference with respect to all timely filed plans will promote fundamental fairness and thereby prevent any one party from claiming an advantage over others through procedure over substance.

WHEREFORE, Claimant respectfully requests that the Court grant the relief requested in the Motion and grant such other and further relief as is just and proper.

DATED: April 5, 2011

Oakland, California

OFFICE OF THE COUNTY COUNSEL,
In and for the COUNTY OF ALAMEDA,
STATE OF CALIFORNIA

/s/ Claude F. Kolm

BY: _____

Telephone: (510) 272-6700

Facsimile: (510) 272-5020

CERTIFICATE OF SERVICE

In re: LEHMAN BROTHERS HOLDINGS, INC., et al.

Case No. 08-13555 (JMP) Chapter 11

I, Dalia Liang, declare:

I am a citizen of the United States. I am employed in the County of Alameda, State of California, over the age of 18 years, and not a party to the within proceeding. My business address is 1221 Oak Street, Suite 450, Oakland, CA 94612-4296.

On April 5, 2011, I served a true and accurate copy of each of the following documents to the parties in this action as listed below:

DOCUMENTS SERVED:

1. STATEMENT IN SUPPORT OF MOTION OF THE AD HOC GROUP OF LEHMAN BROTHERS CREDITORS FOR ENTRY OF (I) AN ORDER SCHEDULING A DISCLOSURE STATEMENT HEARING AND APPROVING THE FORM AND MANNER OF NOTICE THEREOF AND (II) AN ORDER APPROVING THE DISCLOSURE STATEMENT FOR THE JOINT SUBSTANTIVELY CONSOLIDATING CHAPTER 11 PLAN FOR LEHMAN BROTHERS HOLDINGS, INC., AND CERTAIN OF ITS AFFILIATED DEBTORS OTHER THAN MERIT, LLC, LB SOMERSET LLC AND LB PREFERRED SOMERSET LLC; and
2. CERTIFICATE OF SERVICE.

PARTIES SERVED:

The Honorable James M. Pech ("Chambers")
United States Bankruptcy Court, Courtroom 601
One Bowling Green
New York, New York 10004

WEIL GOTSHAL & MANGES, LLP
Richard P. Krasnow, Esq.
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MILBANK TWEED HADLEY & MCCLOY, LLP
Dennis F. Dunne, Esq.
Dennis O'Donnell, Esq.
Evan R. Fleck, Esq.
1 Chase Manhattan Plaza
New York, New York 10005

- (X) **BY MAIL:** I caused such documents, sealed in envelopes with postage thereon fully prepaid and addressed as indicated above, to be mailed via the United States Postal Service, in the City of Oakland, California.
- (X) **BY CM/ECF:** I caused such documents to be electronically transmitted via the U.S. Court's Case Management/Electronic Case Files system to the offices of the addressees.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge. Executed at Oakland, California, on April 5, 2011.

/s/ Dalia Liang

Dalia Liang